



CALPEEK

CALIFORNIA POLITICAL WEEK

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L.A. CITY POLITICS: THE VALLEY GROUP WANTS TO KEEP THE PRESSURE ON HAHN AND L.A. CITY HALL.

Editor's note: Even though backers of Prop. F lost their effort to split away from L.A. City last November, the secession movement isn't exactly dead in L.A.'s *San Fernando Valley*. A new non-profit advocacy organization has recently surfaced and it's called The Valley Group. The purpose is to keep the momentum of the secession movement alive and to keep pressure on L.A. City Hall. And if this group also helps to keep Assemblyman Keith Richman's name on the pages of the *L.A. Daily News* and/or *The L.A. Times*, that's an extra benefit. Here's our update & analysis...

...Richman and his campaign consultant Mitchell Englander were the driving force which put together The Valley Group. The focus of this new group is issues advocacy and making sure the Valley gets its fair share of services. *Fair share of service* continues to be a hot topic for Valley resident and voters and it's even a key campaign issue in the 2003 city council races in the SFV...

...And while these goals are all very *lofty*, some *Calpeek* sources suspect 2005 L.A. City politics is behind this new group. Richman is not *termed out* until 2006 – meaning he'd be halfway through his last term if he were to challenge L.A. Mayor Jim Hahn in 2005. And as sources have noted, no candidate for mayor can be elected without winning in the voter rich San Fernando Valley. And for those with short memories, Richman got 61% of the vote for San Fernando Valley mayor – only problem of course was that cityhood lost and thus Richman's win was almost meaningless – except that he did increase his name ID and profile in the Valley...

...Organizationally, most of The Valley Group's key officers and directors were active in the YES on F campaign and many even ran for city council. And there are a number key VICA members who have signed up with The Valley Group. Richman is the chair; Robert Lamishaw is president; Stefanie Spikell is secretary; & Joyce Pearson is treasurer. Economic Alliance member and Valley/GOP activist Bob Scott is TVG's co-v.p. of govt.

affairs, along with Bill Violante. The 20-member BOD includes Bert & Jane Boeckman; attorney David Fleming; GOP consultant Joel Fox; Bonnie Herman, president of VICA; Laurette Healey, prominent YES on F backer (she ran against Laura Chick for Controller in 2001); Richman staffer Gary Washburn and Englander. FYI: one thing The Valley Group will **not** do: it will not make endorsements. Stay tuned...

BUDGET WARS: AS DEMOS ASK GOP FOR THEIR BUDGET PLAN, TALK SHIFTS TO 'RESTRUCTURING.'

Editor's note: Putting together this 2003-04 budget will probably take just as long as last year's budget. Why the delay when time is working against Gov. Gray Davis(D) and the CA Legislature? **Politics**. Here's our analysis & commentary...

...The battle over Calif.'s new budget has died down a little from last week, but tension remain high. Part of the friction is between Assembly Demos and Gov. Davis. There's even some internal Assembly Demo friction. To ease tension, Davis had a 2 hour face-to-face meeting Feb. 6th with the Demos. The meeting came after Davis threatened to veto AB 4x – the Demo plan to balance the budget. The problem, as Davis views AB 4x, is that the cuts weren't deep enough and he is opposed to rolling back the *VLF* (vehicle license fee). A VLF roll back is the same as a *tax hike*...

...As for the GOPers, they have yet to produce an alternative budget to either Davis' plan or to the one proposed by Assembly Speaker Herb Wesson. *Calpeek* sources think that GOP Senate Leader Jim Brulte and GOP Assembly Leader Dave Cox (and their budget team) were fairly close to releasing a document, but had to pull it back when Davis threatened to veto AB 4x. In other words, the GOPers had their fingers crossed that Davis would sign the bill and thus do what they just won't do: raise taxes by rolling back the VLF to 1998 levels and thus adding \$4 billion to the general fund. And without the VLF roll back, there's a \$4 billion hole in the GOP plan. *Calpeek* sources say AB 4x has yet to reach Davis' desk – but the veto threat is still valid...

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... Publicly, Davis said he would veto AB 4x so as not to anger GOPers, but Davis can read polls too. The VLF is very popular, especially with a big hunk of blue collar, Demo base voters. And given this new effort by some GOPers to launch a *recall* against him, Davis' threatened veto was smart politics. FYI: a recent survey by The Feldman Group showed 67% opposed to raising the VLF vs. 31% who would favor a hike in the car tax...

... During this lull, attention has turned to what's known as *Restructuring*. In the Assembly, Speaker Wesson and GOP leader Cox have set up the Assembly Commission on Structural Challenges to Budgeting in Calif. The short name is the *Structural Reform Commission*. On the State Senate side, the reform drive is led by Majority Leader Don Perata(D), with Senate PPT John Burton and GOP Leader Jim Brulte playing key roles...

... *Calpeek* sources think one of the lawmakers to watch is Assemblyman Joe Canciamillia(D-11th AD). He's part of Demo team on the reform panel. Although there were no bill numbers when *Calpeek* hit deadline, sources say Canciamillia has drafted a package of bills all aimed at structural reform of the budget process. One bill calls for a 2-year budgeting process; another requires Legislative oversight of all State programs (to cut waste); still another sets a *budget reserve* at 3% of the general fund. Biggest headache: the *budget reserve*, because you're dealing with excess revenue. How do you get around Prop. 98 (education)? Even more troubling for lawmakers will be dealing with ACA 11, a constitutional amendment on the March 2004 ballot dealing with adding excess revenue into infrastructure projects. All of this is very complex...

... FYI: All 120 members of the Calif. Legislature recently got a Feb. 3rd letter signed by 14 well known and respected economic professors from various UC campuses and Stanford University. The letter said simply that Calif. "must face up to the need for immediate and substantial budget cuts and tax increases." Speed in doing this is critical, the letter said, because delay only exacerbates the State's fiscal problem. These professors also note the Bush economic stimulus plan won't provide much help for Calif.'s stalled economy. "Calif.'s current crisis is due, in part, to unanticipated declines in revenues caused by the recession and the end of the stock market boom." Stay tuned...

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CAMPAIGN 2004: UPDATE ON LEGISLATIVE RACES.
Editor's note: Here is *Part III* in our continuing series of updates about key Calif. Legislative & U.S. House primary contests in March of 2004. Here's our analysis...

☐ **11th SD** – This is the district now represented by *termed out* State Sen. Byron Sher(D-Palo Alto). This SD takes in such cities as Menlo Park, Redwood City, San Jose and Palo Alto. It will be one of the more interesting Demo primary battles because former Assemblyman Ted Lempert is attempting a come-back against current Assemblyman Joe Simitian, the former Santa Clara Co. supe and mayor of Palo Alto...

... The 42-year-old Lempert actually served in the Assembly two different times: 1988-92 and again from 1996 to 2000. When he was first elected in 1988, he knocked off Bill Duplissea(R) in one of the big upsets of the 1980s. Currently he's CEO of statewide non-profit group that works on education issues – EdVoice. Lempert's key endorsements come from Sher, Senate Demo Leader John Burton, Controller Steve Westly and SPI Jack O'Connell. Terris, Barnes & Walters are Lempert's consultants...

... Simitian was elected to the Assembly in 2000. He's an attorney, businessman and city planner and is married to Demo campaign consultant Mary Hughes (Staton Hughes). Although he hasn't released his entire list of endorsements (later this month or next), *Calpeek* sources say he will be endorsed by Demo U.S. House leader Nancy Pelosi and Demo U.S. Reps. Anna Eshoo and Sam Farr. Sources say Simitian has about \$645,000 in the bank vs. \$485,000 for Lempert...

☐ **17th SD** – This is the SD currently represented by *termed out* State Sen. Pete Knight(R-Palmdale). *Calpeek* sources are expecting a real slugfest for this seat between former Assemblyman George Runner(R-Lancaster) and another ex-Assemblyman, Keith Olberg(R-Victorville). This SD takes in Kern, parts of L.A. Co. and parts of San Bernardino. Olberg was the 2002 GOP nominee for SOS. He lost to Demo Kevin Shelley by about 245,000, but made a very respectable showing. Runner's campaign consultant is Gilliard, Blanning & Wysocki. In this last cycle, Olberg used McNally Temple as his lead consultant. The early line gives an edge to Runner. The unknown factor: former Assemblyman Phil Wyman(R). Does he get into this GOP primary???

☐ **35th SD Update** – In his battle with fellow GOP Assemblymember John Campbell, rival GOP Assembly-

man Ken Maddox has hired Sacto-based Johnson Clark & Associates. As noted two weeks ago, Maddox and Campbell were both clients of Gilliard, Blanning & Wysocki. GB&W went with Campbell in this race. Stay tuned...

AS CRP CONVENTION GETS UNDERWAY FEB. 21ST, THE BATTLE FOR CHAIR SETTLES INTO DULL ROAR.

Editor's note: Unless there are some last minute fireworks (which is always possible) during the upcoming *Calif. Republican Party* convention, the battle between the two candidates vying for chair has now settled into a job over rounding up delegates and keeping them from jumping ship. The CRP convention in Sacramento begins Feb. 21st. Here's our final analysis & commentary...

... The two major candidates are current CRP Vice Chair Bill Back and Northern Calif. Lincoln Club president Duf Sundheim. Unlike previous CRP chair battles, including the last election in 2001 between outgoing Chair Shawn Steel (conservative) vs. Brooks Firestone (moderate), the Back vs. Sundheim battle has nothing to do with abortion. Both chair candidates are pro-life and Sundheim has said that if elected he will NOT push to alter the CRP's current platform – which includes a pro-life plank. Instead, this battle is more about image and the ability to raise money for a political party which is in a huge funding crunch...

... The two candidates have finally agreed to debate each other on Feb. 22nd. Back isn't great when it comes to dazzling an audience, but that's not his strength. Instead he's a strong grassroots conservative who will probably lean on others to help raise the big bucks badly needed by the CRP. Sundheim is much younger and he makes a rather good impression – words seem to flow easily. He may really impress those who have not seen him before. As for fund-raising, this is Sundheim's strong suit – at least that's the spin. It's also got him into a little trouble when it was disclosed he contributed \$1,000 to Demo presidential candidate Bill Bradley in 2000...

... It was very soon after the above Sundheim story broke that Back found himself the center of a much bigger controversy: his 1999 email newsletter contained an op-ed article about what would have happened had the South won the Civil War. This brouhaha set off a month-long GOP circular firing squad mess, with charges and counter charges of racism. Lots of heated words...

... Both sides are predicting victory – no surprise there. The most recent endorsement prize went to Sundheim: the CA Republican Women's Federated endorsed Sundheim by a 3-1

margin. Back's team now says it's no big deal. Others say that the CRWF has never endorsed the eventual winner in a CRP chair's battle. Interesting...

... In terms of endorsements, Sundheim has a long list of supporters and that list is continually updated. It includes 16 of 20 Congressmembers; 4 of 15 CA Senators; and 15 of 32 Assemblymembers. The question here is whether these elected officials will appoint delegates who will be loyal to Sundheim? Also supporting Sundheim are outgoing CRP Chair Steel; CRP Treasurer Doug Boyd; all the Lincoln Clubs; and the Congress of CA Republicans. And sources confirm U.S. Reps. Dreier, Thomas and Royce have been lobbying uncommitted GOP Legislators on behalf of Sundheim. Others call the lobbying arm twisting...

... Back's key endorsers are former CA Sec. of State Bill Jones, 3 Congressmembers; and 8 Legislators; about 40 county chairs – mostly from No. Calif. and rural counties; and the big conservative volunteer group, the CA Republican Assembly. The full list of endorsers hasn't been distributed by Back's team because they don't want their endorsers targeted by the Sundheim team. Sundheim has a very effective whip operation now running on full steam...

... So who wins? Some think it's a toss up, but given all the grassroots support lined up by Back, other sources think he has an edge in this battle. Stay tuned...

CAMPAIGN 2003: CITY ELECTIONS AROUND CALIF.

Editor's note: Between now and end of 2003, there will be about 130 different municipal elections. L.A.'s muni primary is March 4th – along with 62 other cities. And there are a few in April and May. Here's our first update & analysis...

● **Pasadena** – Home of the Rose Parade, Cal Tech and JPL (Jet Propulsion Lab), the mayor's job and 4 council seats are up Mar. 4th. Mayor Bill Bogaard was first elected in 1998 in the first citywide vote for mayor. This year he faces rent control/affordable housing advocate Philip Koebel. As sources see it, Koebel isn't running against Bogaard, but rather to get his issues media and voter attention. Bogaard is expected to win a 2nd term. Consultant Fred Register is running Bogaard's campaign...

... 4th Dist. Councilman Steve Haderlein and 6th Dist. Councilman Steve Madison are running unopposed. In the 1st Dist., Councilwoman Joyce Streater faces perennial candidate Arthur Dennis Crable, an environmental analyst. In the 2nd Dist., Councilman Paul Little faces Israel Estrada, a young man who just finished serving in the U.S. Marine Corps. Streater & Little are favored...

◆ **Glendale** – There are two seats up for grabs in this April 1st election with two(2) incumbents seeking reelection. Ordinarily Councilman/mayor Rafi Manoukian and Councilman Gus Gomez would be slam dunks for reelection in this field of 7 others candidates, but the candidacy of Carole Sussman has thrown a political monkey wrench into the works. Sussman and Gomez co-founded a key homeowner neighborhood group called VOICE and Sussman is the immediate past leader of the Glendale Coordinating Council. Sources say she's had a falling out with Gomez and that's why she's running. Gomez and Manoukian have most of the key endorsements: local police/firefighters, U.S. Rep. Adam Schiff and legislators Jack Scott and Dario Frommer. Sussman has hired consultant Mitchell Englander; Gomez has hired SG&A Campaigns (Parke Skelton & Steve Barken); while Manoukian has hired consultant Eric Hacopian. There are some conflicts on the city council; some dept. heads are under fire; and some sources see 2006 politics involved in Sussman's run. If Gomez were to lose his seat, he could kiss off a run for Frommer's assembly seat in 2006. Interesting twist...

CALPEEK'S INFOBAHN: POLITICAL SHORT TAKES.

Editor's note: Here are a few items, political & otherwise, worth noting...

■ **Calif.'s Homeland Security Office** – It's official. Gov. Gray Davis has created the Calif. Off. of Homeland Security. The new agency will be headed by George Vinson, Davis' homeland security advisor. Folded into this new agency will be the Office of Emergency Services & Office of Criminal Justice Planning. As the U.S. went from **yellow** to **orange** alert status, no specific threats have been directed at Calif....

■ **Recall Madness** – In case you missed it, former hard-line conservative Assemblyman Howard Kaloogian along with People's Advocate (read that as Ted Costa) and CRP Chair Shawn Steel have launched a recall against Gov. Gray Davis(D). *Calpeek* has mentioned this recall several times, but it's the Sacramento BEE which is really milking this story. Thus far the effort hasn't attracted any well known, mainstream Demos and as *Calpeek* sources have noted, it will fail if it is perceived as a purely partisan GOP effort, no matter how unpopular Davis may be. IF the Calif. Teachers Assn. decides to get involved, then the recall drive would be considered serious indeed. Website: www.RecallGrayDavis.com...

■ **Recall Madness Part II** – A more serious recall drive could target at GOP Assemblyman Steve Samuelian, stopped (not charged) by Fresno cops for loitering "for the pur-

pose of soliciting an act of prostitution," according to the Fresno BEE. Five well known GOPers from the Central Valley signed a letter urging Samuelian to resign. Back in 1998 almost the same thing happened and it was an issue in Samuelian's 2002 campaign. Among those signing the letter were U.S. Rep. George Radanovich(R-Fresno), GOP exec. committee member Michael Der Manouel Jr., Fresno Councilman Jerry Duncan, U.S. Rep. Devin Nunes(R-Visalia) and Fresno Co.GOP Central Cmt. chair Jane Parsons...

CALPEEK's NEW JOBS AND PERSONNEL NOTICES.

Editor's note: Here are some items to mark down in your notebook. We have a ton of these announcements...

● A sad note: former El Segundo City Mgr. Ron Cano died Feb. 10th while jogging. He was 50. R.I.P...

● Another sad note: Ron Ziegler, 63, press secretary to the late Pres. Richard Nixon, died Feb. 10th of a heart attack in Coronado. R.I.P...

● Clark Davis has moved his C.S. Davis Co. to 25202 Crenshaw Blvd., Ste. 101, Torrance, CA 90505. (310) 326-9595...

● S.F.-based campaign consultants Michael Terris and Barry Barnes have a new partner: Erica Walters, who has been with the firm since 1998. New firm name is Terris, Barnes & Walters...

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